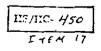
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11 Harch 1947

MELORANDUM FOR MR. HUDDLE

- 1. Herewith I submit the draft requested on Friday. What follows is justification of its form and content.
- 2. Paragraphs 1 and 3 are necessary to meet the issue directly and positively. In the 7 Harch draft our recommendation to the Director can be discorned only by inference.
- 3. I have endeavored to embody in paragraph 2 a succinct statement of the essential points made in the 7 Murch draft, emitting subparas. 6 a, b, and c as drafting points unlikely to influence the Director's decision on the main issue
- 4. It seems to be that the argument in the 7 March draft about ORE morals, coupled with frequent, but unspecific, references to our lack of capabilities, would create an unfortunate impression of sulky unwillingness which I have sought to avoid, relying rather on the concrete demonstration of the realities of our situation in Tab "a". It is the consensus here that we both weaken our case and miss our opportunity if we fail to present these considerations to the Director in specific terms.
- 5. Ly apology for revising, in Tab "b", the draft proposed to ICAPS on 18 February, is not only that I consider Tab "b" a vast improvement in form and clarity. It appears to me also that, the 18 February draft maying been couched in ICAPS language to the maximum in order to make it agreeable in that quarter, but having failed to obtain the desired agreement, we are, on being forced to appeal to the Director for a command decision, at liberty to present our program as we would have it. The Director will never know our uncompromised views unless we tell him. That I am not the only one who finds the 18 February draft distasteful was evident in Dr. Lockard's remarks. I perceive no commitment to it, now that it has failed in its tactical purpose.

IUDWELL L. HONTAGUE Chief, Intelligence Staff, OFE



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NT 722 /Z

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

Subject:

Production program for ORE

Reference:

in the same

Draft memorandum for the Assistant Director for Reports and Estimates submitted by ICAPS to the Director for signature.

1. The Office of Reports and Estimates cannot concur in the Reference. It considers the production program for ORE contained therein to be unrealistic and impracticable insofar as it fails to take into account the man-hours and facilities required to carry out the program at the rate of production indicated and the manpower and facilities actually available to ORE.

2. This Office has discussed the subject with ICAPS in a spirit of collaboration, but with a realistic appreciation of the means available to it, as briefly set forth in Tab "a". It feels that it is contrary to the best interest of C.I.G. to lay down a program which is, on its face, impossible of fulfilment. It has proposed to ICAPS an alternative which, while providing to meet the needs indicated by ICAPS to the maximum extent now practicable, is also flaxible enough to permit acceleration and expansion of the program in keeping with any increase in the means available. In paragraph 2 B (2) of the Reference, however, ICAPS insists upon its original, unrealistic production schedule. In paragraph 2 C, concerning basic intelligence, ICAPS introduces a novel concept never considered in its discussions with ORE and diametrically opposed to the principles



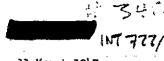
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which ORE has understood were to govern the production of such intelligence. Even eventual compliance therewith would require that the recently approved T/O for ORE be quadrupled, since it implies that ORE is to undertake all the basic intelligence research now being accomplished in the State, War, Navy and other Departments.

3. The Office of Reports and Estimates recommends that the Reference be not approved, and that in lieu thereof the Director approve the substitute attached as Tab "b".

J. KLAHR HUDDLE Assistant Director Reports and Estimates





11 Earch 1947

PERSONNEL AND FACILITIES ACTUALLY AVAILABLE TO ONE (Apropos the production schedule proposed by ICAPS)

- 1. ICAPS has proposed that ORE, with its existing personnel and facilities (as of 15 March 1947) publish a daily summary a weekly summary, occasional special "bulletins", occasional special reports, and an all-inclusive series of situation reports at the rate of at least 12 per month plus monthly revisions (i.e., 12 in March, 24 in April, 36 in May, etc.) and that ORE also assume an immediate responsibility to conduct basic intelligence research universal in scope all this in addition to such other activities as the preparation of N.I.R.'s, the formal evaluation of 0.0. and 0.S.O. reports, etc.
- 2. Such a production program, however desirable, cannot be seriously proposed for immediate implementation with any comprehension of the manpower and facilities required to execute it or of the manpower and facilities actually available to ORE.
- 3. Consideration of four important concrete cases will partially illustrate the point.
 - 2. France: the table of organization for the French Division (prepared without contemplation of the basic research function now indicated by ICAPS) calls for one P-7, four P-6's, and a proportionate allotment of junior professional and clerical assistants. Actually available are two P-h's and one P-2. Since the P-2 is exclusively occupied with clerical tasks, all professional work with respect to France



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devolves upon the two P-h's. So far as the production of copy is concerned, these two can accomplish no more than the items initial drafting of thems for the Daily and Weekly and of an occasional Special Evaluation. It is too much to expect of them either a finished situation report, with monthly revisions, or an occasional special estimate.

b. U.S.S.R.: the T/O calls for two P-7's, three P-6's, and a proportionate allotment of junior professional and clerical assistants. Actually available for all purposes is one P-1, assisted so far as practicable by a P-6 who is also acting Branch Chief and Chairman of the Working Committee of the Defense Project.

c. Greece: the T/O calls for one P-6, one P-5, one P-2, one P-1, and two CAP-h's. Actually available are one P-5 and one P-1. This is a better-than-average section; in addition to its contributions to the Daily and Weekly, it actually produced ORE 6/1 by working on weekends and holidays.

d. China: the T/O calls for one P-7, three P-6's, and a proportionate allotment of professional and clerical assistants. Actually available are one P-3, two P-1's, and one CAP-4, with some assistance from a P-6 who is also Acting Chief of the Far East-Pacific Branch.

is. The burden of mandling, without cherical personnel, the volume of paper received must be taken into account, since it diverts professional personnel from productive activity and renders illusory

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the members shown in strength returns. In the Far East-Pacific Branch, for example, the nine "auxilliary" analysts (P-1 to P-3) spend two-thirds of tucir time on clerical tasks, leaving only the equivalent of three such analysts to support the work of the four productive writers (two P-6's and two P-5's), one of whom must also function as Acting Branch Cnief - this in a Branch which covers such active areas as Japan, Korea, China, the Philippines, Southeast Asia, and Indonesia.

5. The acute lack of experienced, senior analysts has previously been demonstrated. The actual situation with respect to key personnel in the six regional Branches is as follows:

•:	Authorized	Present	In Prospect
Branch Chiefs (P-8)	6	14	2
Deputy Br. Ch. (P-7)	6	ı	. 0
Division Chiefs (P-7)	19	0	0
Section Chiefs (P-6)	46	10	0
•	• 77	IJ	2

It is idle to talk of an accelerated, large-scale production of "staff intelligence", as distinguished from current intelligence, until the greater portion of the indicated vacancies are filled with proporly qualified personnel.

- 6. To point to a generous and unused T/O is no remedy for this situation. Apart from such considerations as our imbility to obtain well qualified personnel by assignment from the Departments and the procedural impediments which have been imposed upon our own recruiting, C.I.C. must face the following facts:
- a. The experienced intelligence personnel available nere at the end of the war are now widely dispersed and for



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the most part settled in their chosen civil professions.

- b. Professional opportunities in the universities are greater at this time than they have been for a generation.
 - c. Salary is not the sole, or even the main, consideration to the type of personnel we wish to attract.
- d. For most of our vacant senior positions the number of truly well qualified persons in the entire country is extremely limited
 - g. Even with the most earnest effort, there is no hope of building up a truly well qualified senior staff except gradually. It will never be accomplished if, with heecless impatience, we give the vacancies away to the first persons found willing to take them.
- 7. Were recruits in plenty at hand, the regional Branches would have no room for them. The present crowded conditions in *%" Building, as exemplified below with reference to five typical rooms, are an impediment to effective work.

					Minimum	
· · · · · · · · · · · · · · · · · · ·	<u>IA</u>	<u>ne</u>	EE/U	NE/A	FE/P	Standard
Room number	2118	2214	2225	2232	21.30	•
Square feet	300	315	315	310	315	
Persons on duty	6	5	5	6	- 6	3-75
Sq. ft. per person	50	63	63	52	53	80

No amelioration of these conditions is in prospect.

8. The fact is that, with present personnel and working conditions, it is only by virtue of high morale and extraordinary effort that ORE has succeeded in achieving its present scale of intelligence production. This production is not all that could be



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desired on a quantitative basis, but its volume is respectable in the circumstances and its quality has been commended in numerous instances. The indefinite continuation of such extraordinary efforts should not be taken for granted. Adoption of so unrealistic a program as that proposed by ICAPS is a sure way to break morale, to production rather than more.

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11 Kerch 1947

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MEMORANDUM FOR THE ASSISTANT DIRECTOR FOR REPORTS AND ESTIMATES

Subject: Production Program

Reference: Memorandum from the Executive to the Director, C.I.G., to the Assistant Directors and Chief, ICAPS, subject:
"Functions of the Office of Reports and Estimates,"
19 December 1946

1. In carrying out the functions prescribed in the Reference, the Office of Reports and Estimates will produce intelligence reports in accordance with the following program.

CURRENT INTELLIGENCE

- 2. <u>C.I.G. Daily Summary</u>: a daily summary of significant intelligence and operational information for the President, the members of the N.I.A., and the additional distribution prescribed in N.I.A. Directive No. 2.
- . 3. <u>C.I.G. Weekly Summary</u>: a weekly compendium of concise analyses of significant emergent and current trends, presented in perspective and with consideration of their probable consequences, as a necessary supplement to the Daily and for the same recipients.
- 4. C.I.G. Special Evaluations: concise evaluations, primarily for the recipients of the Daily Summary, of current reports which require treatment at greater length than is possible in the Daily and with greater urgency than is possible in the Weekly, or which otherwise deserve special presentation as current intelligence rather than as Special Reports (see paragraph 7). Each item in the series



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shall be restricted to a single topic, and shall include such analysis and interpretation as its urgency permits.

5. The form and content of these current intelligence reports shall be subject to continuing study and improvement, particularly in conformity with the desires of the principal recipients, who will be frequently consulted by the Office of Collection and Dissemination to ensure that these publications are actually useful to them.

STAFF INTELLIGENCE

6. Situation Reports: analyses of the strategic and national policy aspects of the situation in each significant country or other appropriate geographical area or with respect to significant functional subjects of continuing interest. The items in this series, in their complete form, shall be designed for the use of staff officers below the I.A.B. level, but succinct summaries of their essential contents shall be provided for use at the I.A.B. level and above. Each item will be kept up to date bymonthly review and revision as required. With reference to this possibly monthly revision it must be stressed that the series is not intended to become yet another form of current intelligence reporting, but rather to consist of up-to-date analyses of the basic factors in the situations reported on.

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7. Special Reports: analyses prepared by specific direction (e.g., ORE 1), or in response to a specific authorized request, or on the initiative of ORE as it perceives the occasion in its continuing review of the world situation (e.g., ORE 15). The initiative



of ORE must be limited to those subjects which clearly warrant presentation to the President and the members of the N.I.A.

8. Upon the adoption of an interdepartmental program for the production and maintenance of National Strategic Intelligence Digests ORE will be charged with responsibility for the coordination of their production and maintenance and for their final editing. In anticipation of this development, ORE will prepare for a prompt assumption of this responsibility.

BASIC INTELLIGENCE

9. The foregoing paragraphs cover all the forms of intelligence production required of ORE. The volume and rate of production which is feasible will depend upon the personnel, material, and facilities currently available to ORE for the purpose. The requirements of paragraphs 2 and 3 constitute a current and continuing commitment; those of paragraphs 4 and 7 are unpredicable, but by definition matters of priority. It is evident, therefore, that the rate of production of Situation Reports cannot be fixed, but must be adjustable to conform to the means available in any given period.

ORE is enjoined, however, to press the initial production and maintenance of Situation Reports as vigorously as circumstances permit. A currently valid production schedule will be prepared monthly for incorporation in each ORE Progress Report.

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desired on a quantitative basis, but its volume is respectable in the circumstances and its quality has been commended in numerous instances. The indefinite continuation of such extraordinary efforts should not be taken for granted. Adoption of so unrealistic a program as that proposed by TCAPS is a sure way to break appraise, to jet production rather than more.